Investment for growth and plans of food processing industries

2143. SHRIMATI SHOBHANA BHARTIA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether Government are considering Rs. 100,000 crore investment, to put the country's food processing industries on the fast track of growth and plan 30 food parks all over the country, five of them by them by the end of the year;

(b) whether Government would invest Rs. 10,000 crore, while the rest of the funds would be mobilized from private sources, including the foreign investment; and

(c) whether food processing industry in the country is growing at the rate of 7.3 per cent only and there is a need to accelerate the growth rate, for which capacity building infrastructure is needed?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) Yes Sir. According to a study conducted by the Ministry through Rabo Bank, in order to achieve the market potential for food processing sector, an investment of Rs.100,000 crore is required toward capacity creation and setting up requisite infrastructure by 2015. It is envisaged that the source of these funds will be a combination of investment by industry players, debt/equity from Financial Institutions, Foreign Direct Investment and Government funding through financial schemes. It is further envisaged that 45% of the investment would come from financial institutions and banks, 45% from FDI/Private Sector and the balance 10% *i.e.* 10,000 crore would be from the Government.

(c) The average rate of growth of food processing industries during the first four years (2002-03 to 2005-06) of the Tenth Plan period has been @13.025% at current prices and @ 6.75% at 1999-2000 prices. In order to accelerate the growth rate of food processing industry, besides capacity building in the industry, there is need to strengthen infrastructure facilities such as farm level Primary Processing Centres, Collection Centres, storage facilities, cold chain, transportation system of farm products from farm to market and processing centres, proper backward and forward linkages, etc.

In the Eleventh Plan, the Ministry proposes to implement a revamped Scheme for Infrastructure Development under which, it will give financial assistance for setting up of Mega Food Parks, cold chain infrastructure, value added centres and packaging centres. The Mega Food Park Scheme will provide backward and forward linkages as well as reliable and sustainable supply chain. The Cluster based demand driven approach will provide linkages from farm to market with linkages from local to regional level through Primary Processing Centres, Collection Centres, Strategic Distribution Centre-cum-Cold Chain at critical locations - having Controlled Atmosphere storage and distribution centres where large quantities can be stored and supplied to retail for fresh sale and to processing industries for processing. In the Eleventh Plan, it has also been proposed to continue assistance to schemes for setting up of Food Testing Labs, Implementation of Quality Systems such as HACCP, ISO 9000, GHP and GMP, Promotion of Research and Development, Capacity building and Human Resource Development and other

promotional activities with higher levels of assistance. In addition, a new scheme for Upgradation of Quality of street foods has also been proposed to be implemented. The emphasis will be on building strong linkages with agriculture and horticulture, enhancing project implementation capabilities, increased involvement of private sector investments and support for creation of rural infrastructure to ensure a steady supply of good quality agri-horticulture produce.

Cold storage trucks

2144. DR. K. MALAISAMY: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that there are around 1,500 refrigerated trucks in the country, as against the requirement of more that 15 lakh such trucks;

(b) if so, the measures taken to fill the huge gap to match the demand; and

(c) whether there would be substantial subsidy and other incentives and assistances in this connection, to build or lease such trucks?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (c) Ministry of Food Processing Industries (MFPI) had been providing financial assistance in the form of grant-in-aid upto 25% of the cost of plant and machinery and technical civil works in general areas and 33.33% in difficult areas with a common ceiling of Rs. 75 lakhs under the Cold Chain component of Tenth Plan Scheme. The assistance under the scheme was limited to cold storages for non-horticulture produces, special type of cold storages with controlled/modified atmosphere technology, cold storages as integral part of processing units or as a common facility in food parks. The refrigerated truck/vans were not covered under the scheme.

However, MFPI has submitted a proposal to Planning Commission on a comprehensive Cold Chain Infrastructure Scheme for Eleventh Plan for providing financial assistance to various stakeholders for revamping integrated cold chain infrastructure at different levels - farm level primary processing centre-cum-cold chain, collection/aggregation centres and Strategic Distribution Centres. The scheme envisages integrated and complete cold chain facilities without any break, from farm gate to the consumer, pre-cooling facilities at production sites including reefer vans/containers and mobile cooling units.

SNAs for food processing industries

2145. SHRI C. RAMACHANDRAIAH: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether Government have, on the recommendation of the State Governments, nominated the State Nodal Agencies (SNAs), to coordinate various activities pertaining to the food processing industries;

(b) if so, whether any SNA in Andhra Pradesh has been established;

(c) if so, the details thereof and whether steps have been mitigated by that SNA to promote food processing industries in the State;